

## 2 ITT Executives Face Trial For Lying in '73 Chile Probe

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Two officials of the International Telephone and Telegraph Corp. have been accused in criminal complaints of lying to a Senate subcommittee five years ago in connection with ITT's activities in the 1970 Chilean presidential election.

Attorney General Griffin B. Bell yesterday announced the filing of criminal "informations" in U.S. District Court here against Edward J.

Gerrity Jr., 54, an ITT senior vice president, and Robert Berrellez, 53, who was an ITT Latin American official in the early 1970s. He is now Southwest regional manager for public relations and civil affairs for the conglomerate.

ITT Chairman Harold S. Geneen, who also was a prospective target of the lengthy Justice Department investigation, was not charged. The department said in a statement,

moreover, that "no other actions . . . are contemplated."

**MOST OF THE CHARGES** against Gerrity and Berrellez grew out of their testimony in 1973 before the Senate Foreign Relations subcommittee on multinational corporations. Geneen also testified before the panel.

At the time, the subcommittee was investigating whether ITT collaborated with the CIA in an attempt to block the 1970 election of Marxist Salvador Allende as president of Chile. Geneen and Gerrity denied that any ITT money was funneled to Allende's opponents to prevent his election.

In 1975, however, the Senate Intelligence Committee disclosed that both the CIA and ITT had given money to Allende's opponents. ITT feared that its Chilean holdings might be expropriated by Allende, who won the election but was killed in a 1973 military coup.

Gerrity and Berrellez were each named in six felony counts and both were accused of perjury and obstructing governmental proceedings in connection with their Senate testimony.

They also were accused of lying about ITT's activities in Chile during a June 1974 arbitration hearing involving a dispute with the Overseas Private Investment Corp., a U.S. agency.

**THE FELONY COUNTS** dealing with the ITT officials' Senate testimony were filed as the five-year statute of limitations neared expiration. However, the statute was not in jeopardy on the arbitration hearing testimony, department officials said.

Acting Deputy Attorney General Benjamin R. Civiletti, when asked why the department decided not to prosecute Geneen, said he had no comment on Geneen but added:

"As a general proposition, the department brings cases where we have the facts to support the charges and meet the legal standards."

Civiletti declined to say whether the department would plea-bargain with Gerrity and Berrellez, as it had done in the case involving former CIA Director Richard M. Helms. Civiletti noted, however, that it was "standard practice" for the department to engage in "plea negotiations" with defendants.

One department source said he understood that Gerrity and Berrellez have "been given the opportunity to make the strongest case they have, with the realization that we have a pretty strong case. I don't think it's to the point of any real plea-bargain. At this point, I'd say it's likely to go to trial."

The department last fall accepted a "no contest" plea from Helms to misdemeanor charges that he lied during 1973 Senate inquiries into possible CIA intervention in the 1970 Chilean presidential election. He was charged with lying to two Senate panels, including the subcommittee on multinational corporations. Helms received no prison term and was fined \$2,000.

**THE ARRANGEMENT** was made after the intelligence community argued that a criminal trial could disclose national security secrets.

Department sources confirmed yesterday that CIA Director Stansfield Turner met Thursday with Bell to express similar concerns about prosecution of ITT officials.

Helms, as part of his plea bargain arrangement, agreed to testify "truthfully" if called before the federal grand jury investigating the ITT officials. He reportedly did testify. The grand jury had been hearing evidence in the case for two years, but its term expired in February. Justice Department officials said both Gerrity and Berrellez waived their rights to grand jury consideration, permitting the charges to be filed as criminal informations.

Gerrity, of Larchmont, N.Y., faces up to 30 years in prison and \$23,000 in fines, according to the Justice Department. Berrellez also could get 30 years in prison and faces \$31,000 in fines. He lives in Chatsworth, Calif.

**HAROLD V. HENDRIX**, 54, the former ITT director of public relations in Latin America, figures in both criminal cases.

The Justice Department charged that Gerrity induced Hendrix to lie to the subcommittee on multinational corporations five years ago. Further, the department said, Berrellez conspired with Hendrix, among others, to obstruct the subcommittee's probe into whether ITT was collaborating with the CIA to prevent Allende's election.

Hendrix has been cooperating with federal prosecutors in the investigation since he pleaded guilty in November 1976 to a misdemeanor charge of withholding information from the subcommittee.

While Gerrity and Berrellez could not be reached for comment, an ITT spokesman said the company was confident its two executives would be cleared. He said:

"These charges follow months of grand jury testimony and appearances and at all times our executives have cooperated and have had the full support and backing of the corporation. ITT knows of no reason why their testimony would have been other than truthful and ITT continues to have confidence in Mr. Gerrity's and Mr. Berrellez' integrity. They both continue to serve as valued executives of ITT. . . ."

**BELL'S DECISION** to prosecute the company officials was hailed by Sen. Joseph Biden, D-Del., who last fall expressed concern over the Justice Department's handling of the Helms case.

Biden, chairman of Intelligence Committee's subcommittee on secrecy and disclosure, said Bell's decision "is a signal the Justice Department is no longer willing to throw up its hands and forgo prosecution in sensitive national security cases."

He said the ITT case "illustrates that the threat of disclosure of national secrets need not always thwart or severely limit prosecution of these kinds of cases."

Biden's subcommittee recently studied 40 cases in which the Justice Department declined prosecutions because of concern that national secrets would be exposed.